

Attested Copy

BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION SHIMLA

1. M/s Batot Hydro Power Ltd, 26,  
Gobind Mahal, 86-B, NS Road,  
Marine Drive, Mumbai-400002.
2. M/s Jala Shaktii Ltd., Park Plaza (N), 71,  
Park Street, Kolkata-700016.
3. M/s Belij Hydro Power Ltd.,  
Door No.13-2-64, 1st lane,  
Gunturivari Thota, Guntur,  
Andhra Pradesh – 522001.
4. M/s Almi Hydro Electric Projects Ltd.,  
26, Gobind Mahal, 86-B,  
N.S. Road, Marine Drive,  
Mumbai-400002.
5. M/s Brahi Hydro Electric Power Projects Ltd.,  
26, Gobind Mahal, 86-B,  
NS Road, Marine Drive,  
Mumbai-400002.
6. M/s Gehra Hydro Electric Power Ltd.,  
Door No. 13-2-64, 1st Lane,  
Gunturivari Thota, Guntur,  
Andhra Pradesh – 522001.

.....Petitioners

V/s

1. The Secretary,  
Himachal Pradesh State Electricity Board,  
Vidyut Bhawan, Shimla-171004.
2. The HP Power Transmission Corporation Ltd.,  
Barowalia House, Kahlni, Shimla-171002, H.P.

...Respondents.

Petition No.92/2009  
(Date of Decision 21.12.2009)

**CORAM**  
**YOGESH KHANNA,**  
**CHAIRMAN**

ATTESTED

  
Reader



Present for:-

For the Petitioner:

Sh. Ajay Vaidya  
Advocate

For respondent No.1

Sh. Narinder Singh Thakur  
Advocate

For respondent No.2

Er. H.S. Bishtoo  
General Manager .

### ORDER

( Last heard on 05.12.2009 and order reserved )

Six petitioner companies (hereinafter referred as "the petitioners") incorporated under the Companies Act, 1956, with the objective, inter alia, for the purpose of carrying of business of generation and sale of electricity, as mentioned above, have jointly moved a petition stating that they have executed Implementation Agreements with the Government of Himachal Pradesh for implementing six projects in Chamba District namely Belij-Ka-Nala-II (3.5 MW), Dunali (5 MW), Belij-Ka-Nala-I (5MW), Belij-Ka-Nala- (3 MW), Baleni Ka Nala (2 MW) and Gehra (2 MW), and that in view of the corridor constraints, they intend to establish the joint dedicated system for evacuation of power from these six projects in place of proposal approved earlier by the Commission for evacuation of power from 4 projects namely Belij-Ka-Nala-II (3.5 MW), Belij-Ka-Nala-III (3 MW), Baleni Ka Nala (2 MW) and Dunali (5 MW) located in Chamba District. Per terms and conditions of the Implementation Agreement /Power Purchase Agreements (PPAs) the petitioners are required to deliver energy to the Himachal Pradesh State Electricity Board (hereinafter referred as "the Board") through the 33 kV Single Circuit lines of the respective projects at 33kV Sub-Station at Jarangla/Karian to be owned and operated by the Board. The energy to be delivered is to be metered and accounted at the said sub-station. The petitioners have prayed that the Commission may issue appropriate orders to approve the evacuation of energy from the above mentioned six projects through the Joint Evacuation System now proposed to be set up by the petitioners alongwith the benefit of deemed generation.

2. In response the Board submits that the evacuation of energy from the above mentioned projects through the Joint Evacuation System to the existing 33 kV Sub - Station as proposed cannot be permitted on the existing system of the Board and in the present circumstances, the evacuation is possible only through proposed 220/132/33kV Sub-Station at Karian under construction by the Himachal Pradesh Power Transmission Corporation Limited (in short HPPTCL). The respondent Board also states that after the

ATTESTED



system study if possibility of power evacuation as proposed by the petitioners is feasible, the temporary/interim arrangement for evacuation of power could be allowed subject to the condition that the benefit of deemed generation would not be allowed to the petitioners being interim/temporary arrangement. In view of this the Board has prayed for directions to the petitioners to submit their unit-wise dates of energisation of each SEHP, so that study could be carried out.

3. The petitioners have submitted the following schedule for energisation of these projects:-

**Scheduled date of Energisation of Projects as given by the petitioners:-**

**1. First Stage**

| Sr. No. | Company Name           | Project          | Capacity | Scheduled date of Energisation |
|---------|------------------------|------------------|----------|--------------------------------|
| 1.      | Batot Hydro Power Ltd. | Belij ka Nala-II | 3.5 MW   | Feb. 2010                      |
| 2.      | Jala Shakti Ltd.       | Dunali HEP       | 5 MW     | July 2010                      |
| 3.      | Belij Hydro Power Ltd. | Belij Ka Nla-I   | 5 MW     | March 2010                     |
|         |                        | Total            | 13.5 MW  |                                |

**2. Second Stage**

| Sr. No. | Company Name              | Project           | Capacity | Scheduled date of Energisation |
|---------|---------------------------|-------------------|----------|--------------------------------|
| 4.      | Almi Hydro-Electric Ltd.  | Belij-Ka-Nala-III | 3 MW     | Feb. 2011                      |
| 5.      | Brahi Hydro Electric Ltd. | Belij-Ka-Nala*    | 2 MW     | Feb. 2011                      |
| 6.      | Gehra Hydro Power Ltd.    | Gehra HEP         | 2 MW     | June 2011                      |
|         |                           | Total             | 7 MW     |                                |

\*To be read as Baleni-Ka-Nala

4. In the mean while, the petitioners proposal was referred by the Commission to the Empowered Committee constituted under the Himachal Pradesh Electricity Regulatory Commission (Power Procurement from Renewal Sources and Co-generation by Distribution Licensee) Regulations, 2007 for sorting out the matter in consultation with the petitioners. The Empowered Committee discussed the matter in its four meetings held in the months of September, October and November, 2009 and after discussions with the petitioners sorted out the matter with the petitioners. The matter regarding claim for deemed generation benefit during the interim stage, when the power is to be evacuated through the 33/11 kV Sub-station at Jarangla, could not be resolved. The said Committee also felt that smooth evacuation of power from these projects shall be possible only after commissioning of 33/220 kV Sub-Station at Karian.

ATTESTED



5. During the course of hearing on 5.12.2009, the Counsel for the petitioners stated that during the course of their interaction with the Empowered Committee, various relevant issues, except that for the issue concerning the date from which the provisions of deemed generation shall be applicable, have been sorted out. The representatives of the Board and the HPPTCL are also in agreement with the position as stated by the petitioners.

6. In relation to the issue concerning the deemed generation, the Board, keeping in view the fact that smooth evacuation of power from these projects will be available only after commissioning of Karian Sub-Station, proposes the same to be made available from the date on which Interconnection point, after the commissioning of 33/220 kV Sub-station at Karian by the HPPTCL, is shifted to Karian. But the petitioners during the interaction with the Empowered Committee as well as during the hearing on 05.12.2009, have stressed that the date after which deemed generation benefit shall be given to them as per the relevant provisions may be firmed up as 31.3.2011, irrespective of commissioning of Karian Sub-station.

7. Shri H.S. Bishtu, General Manager, HPPTCL, when asked about the commissioning schedule of 33/220 kV Substation at Karian alongwith its connectivity with and at PGCIL substation, confirmed that the same alongwith interconnecting 220 kV line and 220 kV bays at the Sub-station, shall be commissioned by 31<sup>st</sup> December, 2010.

8. The petitioners, when asked about the plans for disposal of their power from these projects, informed that out of six projects covered in the petition the PPAs have been signed for two projects and the PPAs for two more projects, for which the Commission have already accorded its approval, will be signed shortly. It was further stated by the petitioners that for the remaining two projects also, they intend to sign PPAs with the Board and they will be taking necessary steps to file joint petition alongwith the Board, for their approval, to the Commission.

9. In view of the commissioning schedule given by the HPPTCL and intention expressed by petitioners to enter into PPAs with Board, the Commission feels that it shall be appropriate that the provisions/guidelines of saleable deemed generation as per PPAs and as provided in the Commission's order dated 25.08.2007 passed in case No.254/06, **M/S Sai Krishna Hydro Energy Pvt. Ltd. and others vs. Himachal Pradesh State Electricity Board** followed in case No. 150 of 2008. **M/S A.T. Hydro Private Limited and others V/s the Himachal Pradesh State Electricity Board**

ATTESTED



decided on 23.1.2009 be made applicable to the petitioners, w.e.f. 1.4.2011, irrespective of commissioning of Karian Sub-station. The Board is however, advised that it may, in its own interest, to enter into back to back arrangements with the HPPTCL as well as with the Power Grid Corporation of India (in short PGCIL) for Open Access beyond the Interconnection Point at PGCIL's Pooling Substation, as the liability for saleable deemed generation, if any, under the PPAs shall be that of the Board.

10. The Commission, after taking stock of the circumstances of this case as well as after going through the pleadings made in this case, hearing the averments made by their learned Counsels/representatives and the deliberations of the Empowered Committee accords its approval to the proposal of the petitioners for the joint dedicated system for evacuation of power to be generated at the above named six projects, as per sketch enclosed with the petition, with the following modifications/conditions:-

- (a) *the 33 kV line from the proposed pooling sub-station at Dunali upto the substation at Jarangla (ultimately to be extended upto Karian) shall be designed by the petitioners, so as to carry three circuits (two circuits with "WOLF" conductor and one with AB cable of appropriate size or otherwise). At least two circuits with WOLF conductor shall be strung in the first Phase itself and the timeframe for stringing the third circuit shall be got approved by the petitioners from the HPPTCL and the Board after taking into account various related factors. The proposal regarding stringing of the third circuit shall be submitted by the petitioners to the Board and the HPPTCL in due course of time, but in any case before the synchronization of the first Small Hydro Electric Projects;*
- (b) *33 kV lines between Belij-II (Batot) and Dunali and from Belij-I to Dunali shall be constructed with WOLF Conductor (one circuit for each of these segments). Common portion shall be strung on Double Circuit structure.;*
- (c) *the lines from Baleni-Ka-Nala (Brahi) and Dunali to the pooling station at or near Dunali and other interconnecting lines shall be connected to the Dunali pooling Sub-station through proper switchgear and not through solid jointing;*
- (d) *the other four single circuit lines i.e. Belij-III to Belij-II (4 Kms), Gehru to Belij-I (3 Kms), Baleni Ka Nala to Dunali pooling station (5 Kms) and Dunali HEP to Dunali pooling Station can be strung on DOG conductor as proposed by the petitioners;*

ATTESTED



- (e) *the safety aspects will not be ignored in any respect while designing, constructing and operating the joint dedicated system;*
- (f) *on commissioning of the EHT substation proposed to be constructed by the HPPTCL at Karian, the Interconnection Point shall be shifted by the petitioners from Jarangla to Karian by extending 33 kV line(s) at their cost. The cost involved in providing the Interconnection Facilities at Jarangla and subsequent shifting thereof to Karian shall also be borne by the petitioners. For this purpose the petitioners, the Board and the HPPTCL shall file a joint petition before this Commission at an appropriate stage (i.e. well before completion of Karian Sub-station) for change of Interconnection point;*
- (g) *the petitioners will maintain Voltage Profile and Voltage Regulation in the joint dedicated system within the limits as may be required for integrated operation of their projects with the Grid;*
- (h) *proper protection shall be made and the switchgear of suitable capacities shall be installed by the petitioner companies at all the controlling/ pooling sub-stations. The single line diagram of the arrangement shall be got approved by the petitioners from the Board as well as the HPPTCL;*
- (i) *the petitioner companies will enter into arrangement, amongst themselves, for metering and accounting of energy delivered to the Board from their generation projects. The petitioners will also designate and authorise one of the petitioner companies, for resolving the disputes regarding the billing of energy;*
- (j) *the petitioner companies will also enter into agreement, amongst themselves, for establishing, operating and maintaining the joint dedicated system upto 33/220 kV Sub-station at Karian in-accordance with the electricity laws, rules and regulations including the Grid Code and standards of Grid connectivity, technical standards for construction of lines and as per norms of system operation and directions of the State Load Despatch Centre regarding operation of dedicated systems;*
- (k) *the petitioner companies will supply copies of interse arrangements, to be entered into by them, to the Board and the HPPTCL;*
- (l) *the approval of the proposed joint dedicated system shall not be construed, in any way, as commitment from the Board/the HPPTCL to evacuate power from SHEPs matching with the time schedule of their commissioning. The*

ATTESTED



timeframe for evacuation of power in such cases shall need to be sorted out separately by the petitioners with the Board under the power purchase agreements executed/to be executed by the petitioners with the Board. Such of the petitioners, who have not executed the power purchase agreements with the Board so far, shall, within a period of one month from date of issue of this order, execute the same or file joint petitions, alongwith the Board, with the Commission for approval of the same;

- (m) the petitioners will jointly sign the requisite Interconnection Agreement(s) with the Board and the HPPTCL immediately and deposit the estimated cost for providing Interconnection Facilities as per mutually agreed schedule, so as to enable the Board and the HPPTCL to construct Interconnection Facilities at Jarangla and Karian respectively;
- (n) the petitioners will seek prior permission of the Board /the HPPTCL before connecting any Power House/Line to the joint dedicated system;
- (o) the approval of the proposed joint dedicated system shall, in no way, absolve the petitioners from their obligations to obtain, in advance, all the requisite statutory/non-statutory clearances for construction, operation and maintenance of the joint dedicated system;
- (p) the provisions/guidelines for saleable deemed generation will be the same as specified in the respective Power Purchase Agreements executed/to be executed by the petitioners with the Board and in Commission's order dated 25.8.2007 passed in the petition No.254/06 i.e. **M/s Sai Krishna Hydro Energies Pvt. Ltd. and others Vs. the HPSEB**. However, the relevant provisions/guidelines in this regard, as aforesaid, will not be applicable to any of the petitioner before the close of FY 2010-11. As such, the saleable deemed generation shall not be payable to any of the petitioners for the period upto 31.3.2011 even if otherwise admissible as per provisions of the respective PPAs;
- (q) the petitioners will allow usage of the joint dedicated system for carriage of power from any other source (over and above the power from the SHEPs), if so directed by the Commission at any stage. In such an event, terms and conditions including the charges payable to petitioners will be as decided by the Commission;

ATTESTED

  
Order



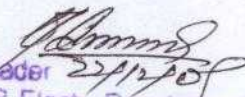
- (r) *in case one or more petitioners opt for Open Access route instead of entering into PPA with the Board, the above conditions will undergo suitable change(s)/ additions keeping in view the fact that the energy accounting in such cases shall have to be done on real time basis and also that deemed generation benefit shall be available only to such petitioners who enter into PPAs with the Board and not to the petitioners who opt for Open Access route.*

The Commission Orders accordingly.

  
-sd-

(Yogesh Khanna)  
Chairman

**ATTESTED**

  
Reader 22/12/20  
H.P. Electy Regulatory Commission  
Keonthal Complex,  
Khalini Shimla-171002

